Mandatory Social and Environmental Reporting

• If you are on the main extractive industries public markets you need to report on this
• Sustainability reporting required in the EU
  • EU Directive 2014/95
• Integrated reporting in South Africa
• Canada and the US, lots of investor pressure and guidance from regulators
  • Ignore at your own peril
Mandatory Social and Environmental Reporting

- Fossil fuel firms have had to respond to responsible investors (and attorney’s general) – are your reserves burnable?
- In Canada and the EU
  - Extractive Industries must report on payments to Governments
  - Coming in the US? Almost certainly if power changes in the US Congress
Mandatory Social and Environmental Reporting

• Conflict Minerals rules are coming in for the EU (Regulation (EU) 2017/821)
• In Canada, projects with First Nations and Inuit now have Impact Benefit Agreement as standard fare
  • Projects are measured based on demonstrating benefit to the community
  • Not on how much money you pay them
Three key points

• More and more detailed (material) reporting is required (Are the SDGs material?)
  • Do we incorporate this into the UNFC for classification?
• Public company, private or state owned?
  • Could this mean E1 in one case and E2 in another?
• Competent Persons (Teams?)
  • How do they handle social and environmental guidelines?